

From: "Carolyn Munsey" <cmunsey@cbsbank.net> on 04/12/2004 04:40:10 PM
Subject: Economic Growth and Regulatory Paperwork Reduction Act of 1996 Review

Dear Sir or Madam:

I welcome the regulator's effort on the problem of regulatory burden. Community bankers as a whole work hard to establish a relationship with our customers and consumer protection rules interfere with our ability to serve those customers.

Our community banking industry is slowly being crushed under the cumulative weight of regulatory burden, something that must be addressed by Congress and the regulatory agencies. Consumer protection lending rules, though well intentioned, unnecessarily increase costs for consumers and prevent banks from serving customers. While individual requirements themselves may not be burdensome, the cumulative impact of consumer lending rules, by driving up costs and slowing processing time for loans from legitimate lenders, helps create a fertile ground for predatory lenders.

We need to acknowledge that customer protection regulations are not only a burden to banks but are also a problem for consumers.

Sincerely,

Cecil Batchelor
Chairman of the Board